

localinsights

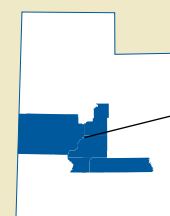
spring 2015

An economic and labor market analysis of Central Utah

central



Millard, Sanpete and Sevier counties **added employment** while Wayne and Piute counties **lost jobs**.



Millard
Sanpete
Sevier
Piute
Wayne

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Central Utah's Job-growth Divide

By Lecia Parks Langston, Economist

Data for the third quarter of 2014 finds the counties of central Utah divided between job growth and job loss. The counties with the largest populations—Millard, Sanpete and Sevier—all generated year-to-year gains in nonfarm employment. On the other hand, in a repeat of the previous quarter, Wayne and Piute counties experienced contracting employment bases.

Millard County has shown the most consistent job gains and also produced the lowest unemployment rate. In Sevier and Sanpete counties, job growth has returned after a series of monthly losses in late 2013. However, expansion rates remain at the low end of the moderate scale and below the state average. Job losses in Wayne County proved relatively minor. However, Piute County seems stuck with an interminable spate of employment declines.

Although job growth remains on a somewhat slower track, employment creation has proved sufficient to continue to push unemployment down. Of the five central Utah counties, only Piute County has seen joblessness trudge upward in recent months.

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Millard County

- Millard County continued to show moderate employment growth in third quarter 2014. While not particularly flashy, Millard County's employment growth has proved sufficient to drive its unemployment rate down below the state average. In addition, while Millard County's third-quarter 2014 gross taxable sale dipped noticeably, the source of the decline was in the volatile business investment category rather than in retail sales. All in all, the county remains economically vigorous while avoiding the "boom" zone.
- Compared to the previous year, Millard County's nonfarm employment increased by 100 positions in September 2014. The accompanying moderate 2.5 percent growth rate nestles between the state (3 percent) and national (2 percent) averages.
- Job-gaining movers and shakers included retail trade, transportation/warehousing, private education/health/social services and the public sector.
- Only leisure and hospitality services employment took a significant hit.
- In December 2014, Millard County's jobless rate registered noticeably below the statewide average, a mere 2.9 percent. Less-populated counties rarely exhibit this low level of unemployment which is indicative of full-employment.
- Between the third quarters of 2014 and 2015, sales dipped by almost 11 percent.

Piute County

- Since the end of the national recession in June 2009, Piute County has experienced only one quarter of expanding nonfarm employment. Data for third quarter 2014 (the most recent available) showed Piute County persisting in its job-losing ways. While the county's jobless rate has dropped dramatically since the recession's end, it has shown a slight uptick in recent months, mirrored by a slight increase in first-time claims for unemployment insurance. Gross taxable sales improved slightly in third quarter 2014 but supplied further proof of a less than vibrant economy.
- Piute County lost roughly 40 nonfarm jobs between September 2013 and September 2014—a drop of more than 14 percent.
- For September 2014, Piute County displayed the worst employment performance in Utah.
- Piute County's jobless rate remained relatively low at 4.5 percent in December 2014. While most Utah counties have experienced contracting unemployment, Piute County's rate has actually increased slightly.
- Many Piute County workers commute to employment elsewhere accounting for the area's relatively low unemployment rate in the face of continued job loss.
- Between the third quarters of 2013 and 2014, Piute County's gross taxable sales increased by a rather tepid 1.6 percent.

currentevents

SEVIER COUNTY BUILDING ON THE RISE

In 2014, Sevier County experienced one of the largest years for commercial construction on record. Several large commercial projects fueled a year that included some \$17.9 million in total valuation. Not included in that total is the new \$33 million Richfield High School that started construction last year. The county also saw 30 new residential homes built in 2014, with a total value of \$6.65 million.

— *The Richfield Reaper*

EPHRAIM BANK TO BE REBUILT

Cache Valley Bank has revealed plans to rebuild its building on the corner of Main and Center Streets in Ephraim and at the same time has committed to preserve the historic Canute Peterson house next door to the bank.

— *Sanpete Messenger*

NEW BUS SERVICE AVAILABLE IN CENTRAL UTAH

Elevated Transit, a Salt Lake City-based bus company, now offers transportation between Richfield and Salt Lake, with several stops throughout Sanpete County. The federal government provides funding to the Utah Department of Transportation (UDOT) to open up mass transit in underserved areas.

— *Sanpete Messenger*



For more current events:
<http://utaheconomycentral.blogspot.com/>

Sanpete County

- Recently-released employment data shows that Sanpete County has dug itself out of the job-loss pit of late 2013 to early 2014. While the monthly figures were not consistently strong, they do offer a welcome improvement from prior quarters. Moreover, most industries contributed to the job creation. Concurrently, the county's jobless rate continued on the downward track reaching the level generally considered "full employment." In another sign of an improving economy, sales showed a healthy third-quarter gain.
- Sanpete County's nonfarm employment totals improved by almost 4 percent between the third quarters of 2013 and 2014.
- Year-to-year figures for the final month of the quarter measured the lowest of the time period.
- The county's strongest job gains occurred in manufacturing, professional/business services and leisure/hospitality services.
- Few industries lost jobs with mining and construction showing the only decreases of note.
- In December 2014, Sanpete County's jobless rate slipped to 4.1 percent. Given the seasonal nature of a portion of the area's employment, this low level of joblessness appears even more impressive.
- After a slow start to the year, gross taxable sales made a fine comeback with a year-to-year increase of almost 8 percent for third quarter 2014.

Sevier County

- While Sevier County seems to have shaken off the job losses of 2013, recently-released nonfarm jobs numbers show a rather tepid third-quarter 2014 performance. The county did average a year-over gain of more the 130 jobs for the quarter, although September showed the weakest increase. Moreover, pockets of industry-level job loss remain. The current level of employment creation still managed to shrink the county's jobless level to a level not seen since before the recession. Only a decline in gross taxable sales pitched a slight shadow on this recovering economy.
- Between September 2013 and September 2014, Sevier County's nonfarm employment increased by roughly 1 percent.
- Over the past year, leisure/hospitality services, private education/health/social services, retail trade and professional/business services combined to create most of the new employment.
- Unfortunately, construction, transportation/warehousing and government took significant employment hits.
- Sevier County's unemployment slipped down a notch at year end. In December 2014, the unemployment rate estimate measured just 3.9 percent.
- Gross taxable sales took a 3.4 percent tumble between the third quarters of 2013 and 2014. However, a decline in the business investment category appears primarily responsible for the drop.

Wayne County

- After regaining some of the ground lost when its largest employer shuttered its doors, Wayne County now finds its labor market stagnating. Third quarter 2014 figures show employment levels registering near year-ago figures with little loss or gain. Beneath the surface, various industries waxed and waned. Wayne County's unemployment rate remains high. However, rates have dropped fairly steadily since early 2013. Strong and continued sales gains continue to provide the best economic news for the area.
- Between September 2013 and September 2014, Wayne County lost a total of six nonfarm jobs—down less than 1 percent.
- Construction created a hefty number of positions aided by new employment in healthcare and social services.
- Leisure and hospitality services experienced a decided drop in employment. Losses in the public sector proved less severe.
- In December 2014, Wayne County's jobless rate measured 8.4 percent, the highest rate in Utah.
- Unemployment rates are down 4 full percentage points from the recent high in February 2013.
- Gross taxable sales delivered the best recent economic news. Between the third quarters of 2013 and 2014, sales increased by a robust 7 percent following a five-quarter string of positive year-to-year sales gains.

Central Utah Economy

at a glance

Year-to-Year Change
in Nonfarm Jobs
Sept. 2014

2.0%
United States

3.0%
State of Utah

2.5%
Millard County

-14.2%
Piute County

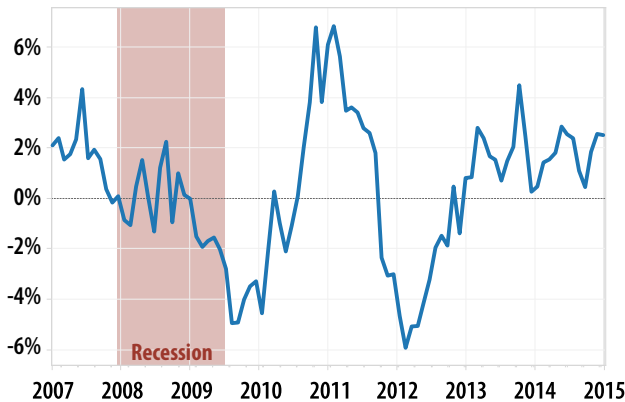
2.1%
Sanpete County

0.8%
Sevier County

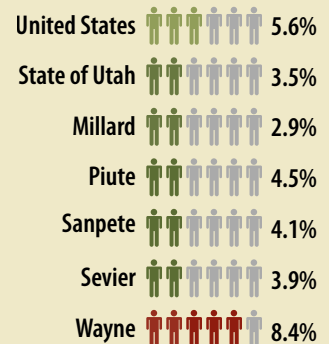
-0.6%
Wayne County

Millard County Job Growth Sept. 2014

100

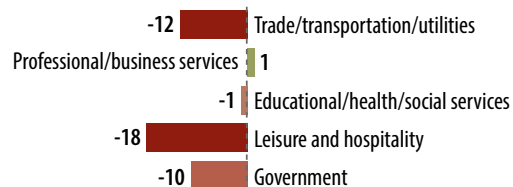
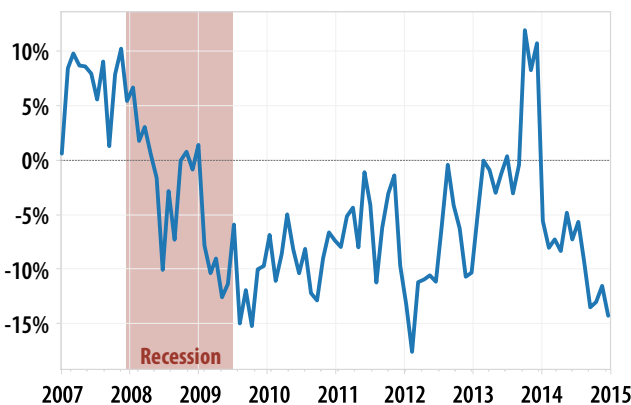


Seasonally Adjusted Unemployment Rate

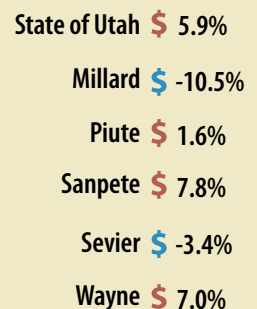


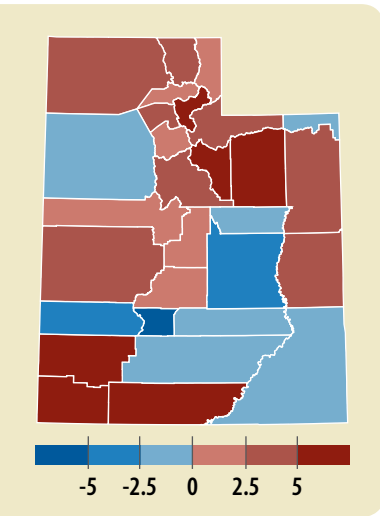
Piute County Job Growth Sept. 2014

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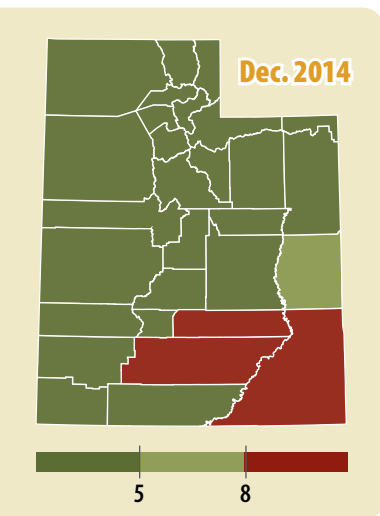
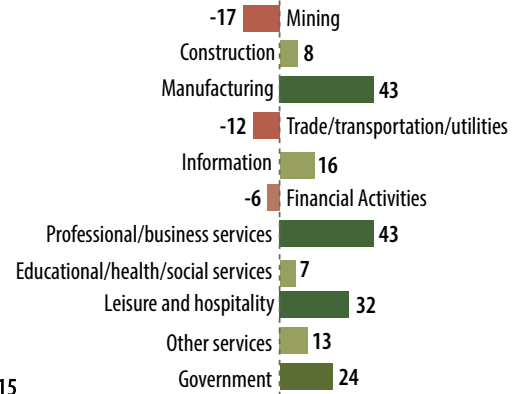
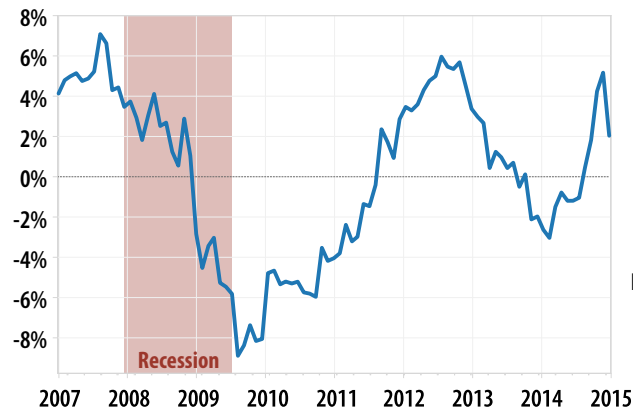


Year-to-Year Change in Gross Taxable Sales

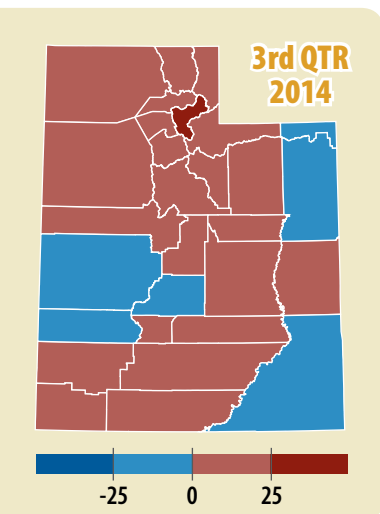
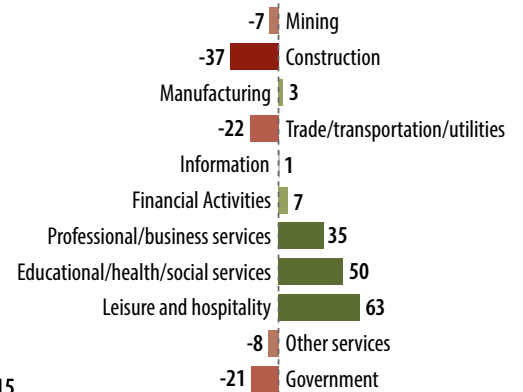
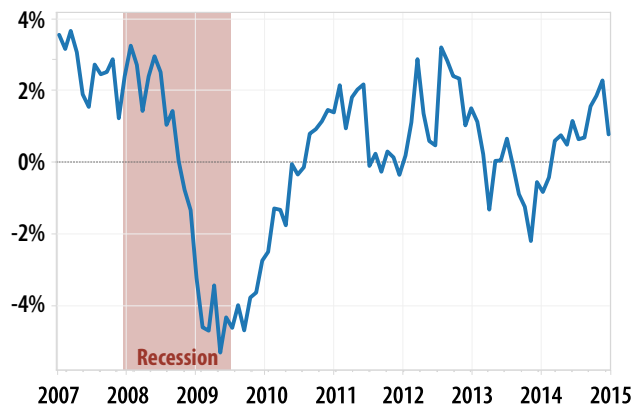




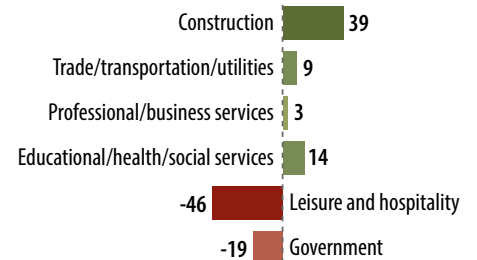
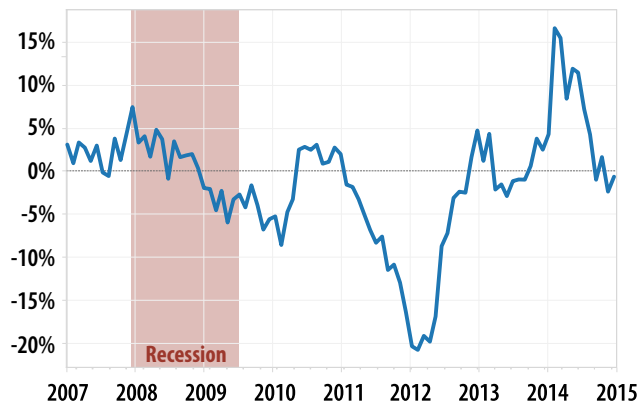
Sanpete County Job Growth Sept. 2014 ↑ 151



Sevier County Job Growth Sept. 2014 ↑ 64



Wayne County Job Growth Sept. 2014 ↓ -6





The Paper Chase: Changes in Central Utah's College-educated Population

By Lecia Parks Langston, Economist

A recent Newgeography.com article* ranking Utah's town St. George at the top of a list of "America's Smartest Cities" spurred a small flurry of educational-attainment data diving at the Department of Workforce Services. Although the St. George ranking resulted primarily from an influx in population, it did highlight educational gains in the state. This article outlines the changes in the share of the population with at least a bachelor's degree using decennial census data for 1990 and five-year averages from the American Community Survey (2009–2013).

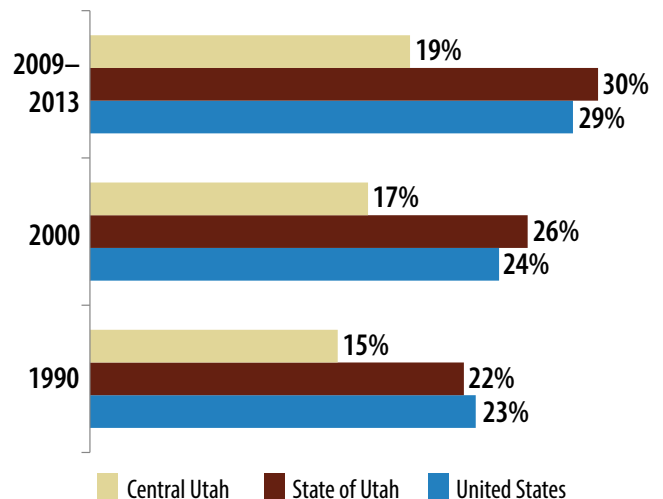
That was Then, This is Now

The central Utah population has certainly become better educated over the past two and one-half decades. In 1990, roughly 15 percent of adults 25 years and older had earned a bachelor's degree or higher. The most recent American Community Survey data reports that 19 percent of that age group now has at least a four-year college degree.

However, in the level and the increase in college-degreed residents, central Utah falls notably short of state and national figures. Utah's share of college-educated individuals increased from 22 percent to 30 percent while the U.S. share rose from 23 percent to 29 percent. In other words, central Utah showed a smaller share of population with at least a bachelor's degree in 2009–2013 than did Utah in 1990. Lower shares of degreed individuals in central Utah's less-populated counties undoubtedly stems from the types of available occupations. Metropolitan areas typically generate more jobs requiring a college education than do rural areas.

Of course, individual counties show different levels of degree attainment. Remarkably, very rural Wayne County began and ended the study period with the area's highest proportion of college educated residents. The 2009–2013 data indicate that one-fourth of adult Wayne County residents have a college education. Next in line, Sanpete County (home to Snow College), displayed a bachelor's-degree-or-higher rate of 21 percent. Millard County finished third with 19 percent. On the other

Figure 1: Share of Population 25 and Older with a Bachelor's Degree or Higher



Source: U.S. Census Bureau Local Employment Dynamics.

end of the scale, in Sevier and Piute counties, four-year degrees accounted for 16 and 17 percent of the population, respectively.

Central Utah improvement in the share of college-educated residents also lags the state and nation. Between 1990 and 2009–2013, central Utah’s portion of college graduates increased by only 4 percentage points in comparison to 6 points for Utah and the U.S. Additionally, central Utah’s county-level improvement spread proved relatively tight, ranging from 3 points in Millard County to 5 points in Sanpete and Wayne counties.

“Education is the most powerful weapon which you can use to change the world.” — Nelson Mandela

All Age Groups are Not Created Equal

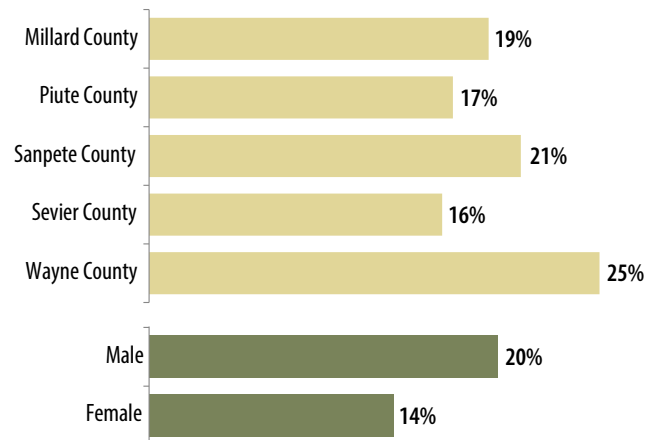
Interestingly, the two counties with the strongest expansion in overall educational attainment—Sanpete and Wayne—also experienced their largest bachelor-degree gains in the 65-and-older age group. The share of seniors with college degrees increased by 13 percentage points in Wayne County and 9 points in Sanpete County. This seems to point to the relocation of well-educated retirees to both areas. In Wayne County, a whopping 31 percent of those over the age of 65 have at least a bachelor’s degree.

In all counties, the 45- to 64-year-old age group experienced either very slow expansion in the percentage of individuals with degrees or an actual decline. In contrast, the 35- to 45-year-old age group experienced robust increases in the percentage of degreed residents in most counties.

The Gender Divide

Utah’s college-education gender gap ranks (by far) as the largest in the nation. In Utah, 33 percent of men over 25 years have a college degree compared to less than 28 percent of women. Nationally, the gender-related education gap has virtually disappeared. In central Utah, 20 percent of males have achieved a bachelor’s degree or higher but only 14 percent of females have attained the same objective. Nevertheless, among central Utah counties, the educational gender divide appears as varied as the landscape.

Figure 2: 2009–2013 Central Utah Share of Population 25 and Older with a Bachelor’s Degree or Higher



Source: U.S. Census Bureau Local Employment Dynamics.

Men are somewhat more likely to have a college education than women in Millard, Sanpete and Sevier counties. However, in Piute County, females far outpace men in obtaining a four-year degree. Roughly 22 percent of Piute County women have a degree compared to only 12 percent of men. Wayne, the county with the highest level of educational attainment, also shows the most comparability in male and female figures. In Wayne County, both genders exhibit virtually identical shares of residents with a bachelor’s degree or higher.

In recent years, central Utah counties have shown a dramatic decline in the educational gender divide. In 1990, men out-ranked women in the bachelor’s degree paper chase by almost 11 percent points and no county showed a gap of less than 7 points.

*<http://www.newgeography.com/content/004774-americas-smartest-cities>



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Looking to the American Community Survey

By Mark Knold, Supervising Economist

"Sampling, statisticians have told us, is a much more effective way of getting a good census."

— Rob Lowe

The Rob Lowe quote is designed to be humorous. Is the best way to get answers about an entire population to not question the entire population but instead only part of it?

When we hear "census," we often think of the once-every-ten-year questioning as mandated by the Constitution. In that context though, we often think of "census" as an event instead of what it is—an enumeration.

A census targets an entire population. In contrast, if that is impractical or impossible, then a smaller portion (a survey) of the population needs serve as a viable substitute. Rob Lowe's humor stems from the idea that when we do the national decennial Census, much of the data comes from a survey. To him, that is an oxymoron.

The U.S. Constitution mandates the decennial Census for the purpose of allocating Congressional representation. That is fulfilled in our modern U.S. Census via the "short form," the portion that everyone gets and answers and thus makes it a census. That information is largely just a head count of people. Yet the Census event offers a great way to gather additional characteristic information about the U.S. population. That information formerly came from the now-deceased "long form"—a survey within the Census.

The long-form decennial survey has now been transformed into an ongoing exposé called the American Community Survey (ACS). From this rendering we get a wealth of U.S. population characteristics like educational achievement, income levels, poverty status and much more.

This issue of *Local Insights* is looking at Utah's recent ACS data and comparing some demographic variables of today to those same variables in the past. Have things changed in Utah's local economies over time? The frequency of the ACS makes these evaluations available in a more timely fashion.